

**BOARD OF SUPERVISORS  
FINANCE/GOVERNMENT OPERATIONS AND  
ECONOMIC DEVELOPMENT COMMITTEE  
AGENDA SUMMARY**

**June 14, 2016**

**6:00 p.m.**

**Loudoun County Government Center  
1 Harrison Street, S.E., Leesburg, VA  
Board Room**

**Committee Members:**

**Matthew Letourneau, Chair**

**Phyllis Randall - Tony Buffington - Ralph Buona - Koran Saines**

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*\*Proposed for Consent*

**1. Monthly Department of Economic Development Report (Information)**

The Department of Economic Development's monthly statistical report shows leading economic indicators for Loudoun County, and key department performance indicators. The executive director will also report on key economic development activities that have occurred since the May 2016 meeting.

Election District: Countywide

Staff Contacts: Buddy Rizer, Economic Development

**2. Nighttime Economy Ad-Hoc Committee (NEAC) Report (Action)**

On May 18, 2015, the Board's Economic Development Committee endorsed the Economic Development Advisory Commission's (EDAC) goals related to the Nighttime Economy Ad-Hoc Committee (NEAC). The NEAC was created as a means to explore the policies and issues needed to improve Loudoun County's nighttime economy in ways that attract workforce and increases employment and economic opportunities, while also enhancing a sense of community throughout the County. During the summer and fall of 2015, NEAC subcommittees completed research and developed a set of draft recommendations for improving the 18-hour economy.

This item presents the NEAC report unanimously approved by the EDAC on May 13, 2016. The NEAC Report highlights the history and structure of the committee, the membership of each subcommittee, community input provided through a community meeting and survey, a set of recommendations by each subcommittee, and proposed next steps. Todd Pearson and Tony Howard, co-chairs of the NEAC, will present the NEAC report to the Committee and will discuss the NEAC's proposal for moving the recommendations forward.

Election District: Countywide

Staff Contact: Buddy Rizer, Economic Development  
Gwen Kennedy, County Administration

**3. Loudoun County-Washington Redskins Marketing Agreement Update (Information)**

Loudoun County has an eight-year marketing agreement with the Washington Redskins that began in 2012. Each year, the team makes certain season assets available to the County for the Department of Economic Development to use for business attraction and retention. On June 14, 2016 a representative from the team will outline the return on the County's investment realized during the football season that ended March 31, 2016.

Election District: Countywide

Staff Contacts: Buddy Rizer, Economic Development

**4. Overview of Loudoun's Sister City Program and Recommendations for Future Administration (Action)**

The item provides the Finance/Government Operations and Economic Development Committee with information on Loudoun County's Sister City Program and includes a staff recommendation pertaining to the status and administration of the Sister City Program moving forward.

Election District: Countywide

Staff Contacts: Buddy Rizer, Economic Development  
Rick Morris, Economic Development  
Bob McCollar, Economic Development  
Caleb Weitz, County Administration

**5. CONTRACT AWARD/Utilities Relocation for Claiborne Parkway – Columbia Gas Transmission, LLC (Action)**

The Claiborne Parkway project will construct a new four lane median divided roadway between Ryan Road and Croson Lane. Two gas transmission lines owned by Columbia Gas Transmission, LLC need to be relocated in order for the project to begin construction. This item presents additional information and proposes Contract Award for utility relocation by Columbia Gas Transmission, LLC for the Claiborne Parkway project. Sufficient funding is available in the Claiborne Parkway project to award the contract to Columbia Gas Transmission, LLC for the gas line relocation.

Staff recommends that Finance/Government Operations and Economic Development Committee recommend that the Board of Supervisors that the Purchasing Agent be authorized to award a contract for the relocation of utilities for the construction of the Claiborne Parkway project with Columbia Gas Transmission, LLC in the estimated amount of \$1,700,971.

Election District: Dulles

Staff Contacts: Melissa Tello, Transportation and Capital Infrastructure  
Joe Kroboth, Transportation and Capital Infrastructure  
Cheryl Middleton, Finance and Procurement  
Belkys Escobar, Assistant County Attorney

**6. \*CONTRACT AWARD/Youth Shelter Renovation (Action)**

The purpose of this item is to award a contract for the Loudoun County Youth Shelter Renovation. Staff recommends that the Finance/Government Services and Operations Committee recommend to the Board of Supervisors (Board) that the Purchasing Agent be

authorized to award a contract for the Loudoun County Youth Shelter Renovation to the Sorensen Gross Company, in the estimated amount of \$1,444,000. Invitation for Bid Number 332 was issued on April 11, 2016 for the Loudoun County Youth Shelter Renovation. Six (6) Bids were received on May 12, 2015 with the Sorensen Gross Company being the lowest responsive and responsible bidder in the amount of \$1,444,000.

The Scope of Work includes exterior and interior renovation with a minimal expansion for a new entry vestibule and new toilet as well as a replacement mechanical screen wall. The building is an existing one (1) story, 8,000 square foot, seven (7) bedroom residence with a multipurpose living space, laundry room, infirmary, staff offices and conference room. Site work is minimal and includes no paving. The Project involves the complete interior renovation in a single story existing building with a double height central multipurpose room. New exterior siding and trim, windows, doors, plumbing and light fixtures, HVAC, drywall, finishes, millwork, and low voltage are included in the Scope of Work. Sufficient funding is appropriated in the Youth Shelter Renovation capital project account to award the construction contract.

Election District: Catoclin

Staff Contacts: Joe Kroboth, Transportation and Capital Infrastructure  
Mark Hoffman, Transportation and Capital Infrastructure  
Christopher Bresley, Finance and Procurement

**7. \*CONTRACT RENEWAL/Job Order Contract (JOC) for the Maintenance and Repair and Replacement of Mechanical Infrastructure (Action)**

The purpose of this item is to renew the Job Order Contracts (JOC) for the Maintenance, Repair and Replacement of Mechanical Infrastructure. Staff recommends that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors that the Purchasing Agent be authorized to renew the Job Order Contracts (JOC) for the Maintenance, Repair and Replacement of Mechanical Infrastructure to Adrian L. Merton, Inc., Riddleberger Brothers, Inc., and the Paschen Johnson Joint Venture in the estimated amount of \$4,000,000.

A JOC is a competitively bid, firm fixed priced, indefinite quantity contract. The work includes a collection of tasks and related technical specifications that have pre-established unit prices. The contracts are to be used for mechanical infrastructure maintenance, repair and replacement work by means of individual job orders issued under the contracts and related to discrete projects, such as the replacement of aging heating, ventilation and air conditioning (HVAC) components in major County facilities. Staff is requesting the award of the first renewal option. Renewal contract awards are only provided to those contractors with satisfactory performance. Funding for this contract is contained in the operating budgets of the Department of General Services, the Department of Parks, Recreation and Community Services, and the Department of Transportation and Capital Infrastructure, the Capital Asset Preservation Program, and the Capital Improvement Program.

Election District: Countywide

Staff Contacts: Ernest Brown, General Services  
Tom Trask, General Services  
Christopher Bresley, Finance and Procurement

**8. \*CONTRACT RENEWAL/Property, Liability, and Automobile Coverage (Action)**

On May 20, 2015, the Board of Supervisors authorized the Purchasing Agent to exercise the fourth one year renewal for the contract for Property, Liability, and Automobile Coverage with the Virginia Association of Counties (VACo) Risk Management Programs, Inc. in the amount of \$658,551. The Virginia Association of Counties Group Self-Insurance Risk Pool was established in 1993 at the request of Virginia counties seeking an alternative to the insurance marketplace to provide coverage and risk services to local government entities and school divisions across the Commonwealth. VACo Risk Management Programs, Inc. specializes in providing a variety of coverage to counties, county school systems and county related agencies. This contract provides administration of property, liability and automobile coverage, and risk management services. These include, but are not limited to: claims processing and administration, contract reviews, training, property inspections, OSHA compliance reviews, claims review and consultative services. The current contract period ends June 30, 2016. VACo has been successfully providing this coverage to the County since 1999. Therefore, staff is seeking approval to exercise the final one year renewal under the contract with VACo Risk Management Programs, Inc. for the period of July 1, 2016 through June 30, 2017 in the amount of \$713,644.

Election District: Countywide

Staff Contacts: Nelia Larson-Mann, Human Resources

Jeanette Green, Human Resources

Cheryl Middleton, Finance and Procurement

**9. \*CONTRACT RENEWAL/Verizon Telecommunications Services**

The Department of Information Technology provides data network connectivity to 125 facilities owned or leased by the County located throughout Loudoun. The data network enables staff access to County information systems, the email system, the Internet, personal computer security patches, software upgrades, video conferencing, and telephone/voice mail services. County government facilities that are not connected to the County-owned fiber are provided network access through Verizon services. Since FY 2011, the County has been contracting through the state-wide Network Virginia contract for these services. The intent of this item is to obtain the contracting award authority for the Verizon telecommunication services in the amount of \$1,080,000. Staff recommends that the Finance/Government Operations and Economic Development Committee recommend to the Board of Supervisors (Board) that the Purchasing Agent be authorized to use the Network Virginia contract with Verizon/Bell Atlantic for the continued lease, maintenance, and upgrades of existing telecommunication circuits in the estimated amount of \$1,080,000. Sufficient funding for these services is available in the Department of Information Technology's FY 2017 Adopted budget.

Election District: Countywide

Staff Contacts: Wendy Wickens, Information Technology

Marilee Ciehoski, Information Technology

Sandra Lineberry, Finance and Procurement

**10. \*CONTRACT RENEWAL/Telephone Platform Solution and Backbone Network Equipment & Services**

At the November 15, 1995 Board of Supervisors business meeting, the Board authorized the Purchasing Agent to negotiate and award a ten (10) year contract for Data and Telecommunications Equipment and Services to Avaya, Inc. (formerly Nortel) as a result of Request for Proposal ("RFP") No. QQ-00343. Since then, the County's Avaya telephone system has been kept usable and current through the purchase of additional components to service new facilities and the periodic upgrade of selective components. The County utilizes Fairfax County's competitively bid contract with Avaya, Inc. to procure equipment and services. The Fairfax County contract is negotiated and awarded and has been renewed through June 30, 2017. As part of the annual renewal, the Fairfax County contract has been extended to include Avaya backbone network equipment and services. The County uses backbone network equipment (routers, switches, hubs, etc.) manufactured by Avaya on the County Wide Area Backbone Network. The network connects 100+ County buildings and facilities to the County network, the Internet, and State and Federal computer systems and networks. The intent of this item is to obtain contract renewal authority for annual equipment maintenance for both telephone platform and backbone network equipment as well as the anticipated equipment purchases for all telephone and backbone network needs within and between the County facilities through June 30, 2017. Sufficient funding in the amount of \$2,100,000 for the equipment and services is included in the FY 2017 Adopted Budget appropriation. Staff recommends that the Finance/Government Operations and Economic Development Committee (FGOEDC) recommend to the full Board of Supervisors (Board) that the Purchasing Agent be authorized to renew a one (1) year contract for the Telephone Platform Solution and Backbone Network Equipment and Services to Avaya, Inc. in the amount of \$2,100,000.

Election District: Countywide

Staff Contacts: Wendy Wickens, Information Technology  
Marilee Ciehoski, Information Technology  
Sandra Lineberry, Finance and Procurement

**11. \*AWARD AUTHORITY INCREASE/Financial and Compliance Audit Services (Action)**

On September 21, 2011, staff issued Request for Proposal (RFP) No. QQ-01677 for financial and compliance audit services. The intent of the RFP was to seek proposals from qualified independent certified public accountants or accounting firms to provide financial and compliance auditing and business consulting services. On February 12, 2014 the Board of Supervisors (Board) authorized the Purchasing Agent to award a five (5) year contract to Cherry Bekaert, LLP. The original contract award included fixed fees for each of the annual audits included in the initial five year term that totaled \$1,086,450. However, during the current contract term, staff has engaged Cherry Bekaert, LLP to perform the additional audits and reviews in addition to the annual financial audits for engagements such as limited internal control of selected Volunteer Fire and Rescue companies and post implementation audits for the new Computer Assisted Mass Appraisal System and Phase 1 and 3 of the new ERP system. Because of these addition audits, staff has allocated the entire amount of the original award

authority granted by the Board plus an additional 25% increase under staff authority as permitted per the Procurement Resolution. To date, staff has obligated \$1,343,518 under this contract. The cost for the FY 2016 audit is \$230,550 and was negotiated as part of the original contract award. Staff needs additional award authority to cover the FY 2016 annual financial audit as well as to allow for any additional required audits that may be needed between now and the end of the contract term, which expires on March 31, 2017. Therefore, staff is requesting that the FGOEDC authorize the Purchasing Agent to increase the award authority by \$330,550 for a new contract total of \$1,674,068. No additional funding is needed for this award authority increase.

Election District: Countywide

Staff Contacts: Janet Romanchyk, Finance and Procurement  
Cheryl Middleton, Finance and Procurement  
John Sandy, County Administration

## **12. Capital Project Procurement and Process (Information)**

On April 12, 2016, the Finance Government Operations and Economic Development Committee requested staff provide an overview of the process associated with the procurement of architectural and engineering (A/E). However in order to more fully illustrate the length of time and all required steps, staff is providing a detailed summary of the process to develop a capital project, including the specific procedures for the procurement of A/E services, construction, and related contracts.

Election District: Countywide

Staff Contacts: Cheryl Middleton, Finance and Procurement  
Mark Hoffman, Transportation and Capital Infrastructure  
Melissa Tello, Transportation and Capital Infrastructure  
Joe Kroboth, Transportation and Capital Infrastructure

## **13. Revision of the Restricted Use Transient Occupancy Funding Policy (Action)**

The Restricted Use Transient Occupancy Tax (TOT) Funding Policy was adopted by the Board of Supervisors in 2005 and last revised in 2011. This policy sets the rules for how Restricted Use TOT funds are to be allocated by the Board.

This item will bring before the Finance/Government Operations and Economic Development Committee for consideration certain issues, revisions, and staff recommendations contained in the Funding Policy. Revisions for the Committee's consideration include the process by which tourism programs, events, and agreements are considered and selected for funding during the budget process, how funds can be leveraged for international travel and international economic agreements, and the mechanism through which the Board will exercise oversight on results generated from the allocation of Restricted Use TOT funds.

While there is no immediate fiscal impact in revising the Funding Policy, recommendations made by the Committee and decisions taken by the Board will impact how Restricted TOT funding opportunities are evaluated and how Restricted Use TOT funds are allocated during future budget processes.

Election District: Countywide

Staff Contacts: Kenny Young, County Administration

Erin McLellan, Management and Budget  
Buddy Rizer, Economic Development

**14. Revision and Renewal of the Memorandum of Understanding with Visit Loudoun (LCVA, Inc.) (Action)**

Visit Loudoun is the primary programmatic element of Loudoun County's travel and tourism promotion efforts and is funded in large part by the Restricted-use portion of the Transient Occupancy Tax (TOT). The County's current Memorandum of Understanding (MOU) with Visit Loudoun guides the relationship between the County and Visit Loudoun by providing the appropriate processes for funding, reporting, and projecting future revenues. This MOU was last updated in 2011 and expires June 30, 2016.

This item will bring before the Finance/Government Operations and Economic Development Committee for consideration certain issues, revisions and staff recommendations contained in the new MOU, including the term of the MOU, the funding mechanism through which Visit Loudoun's annual funding levels are set, performance measurement and reporting, and the potential enhancement of the organization's operating reserve and the definitions of "Core Tourism Services" provided in attachment to the revised MOU.

Election District: Countywide

Staff Contacts: Kenny Young, County Administration  
Erin McLellan, Management and Budget  
Buddy Rizer, Economic Development

**15. Advancement of Projects included in General Obligation Referenda/November 2016 Bond Referendum (Action)**

As part of the FY 2017 Adopted Budget, the Board of Supervisors approved various capital projects which require the issuance of General Obligation (GO) bonds. GO bonds are secured by the full faith and credit and taxing authority of the County, and require a voter referendum. Virginia Code § 15.2-2610 governs the request for, and ordering of, a referendum to gain voter approval to sell general obligation bonds through a special election.

Current practice is to bring forward newly approved projects funded by GO bonds to referendum in November. With the adoption of the Capital Improvement Program, the appropriation for these projects begin on July 1st. Advancing projects to referendum prior to appropriation would ensure GO funding for these projects receive voter approval prior to spending. This item presents the debt-financed projects staff recommends the Board place on the November 2016 referendum and the questions that are to appear on the ballot. Options to advance FY 2018 projects to the November 2016 referendum are included for consideration.

Election District: Countywide

Staff Contacts: John Sandy, County Administration  
Penny Newquist, Finance and Procurement  
Janet Romanchyk, Finance and Procurement  
Nicole Bradley, Finance and Procurement  
Courtney Sydnor, County Attorney's Office

**16. Board Member Initiative: Board District Budget Adjustments (Action)**

Supervisor Letourneau is proposing a July 2016 budget adjustment of \$270,000 (\$30,000 for each office) to Board Office Budgets.

Election District: Countywide

Staff Contacts: Monica Filyaw, Aide to Supervisor Matthew Letourneau

**17. AWARD AUTHORITY INCREASE/Business Transformation Office Management (Action)**

Since May 9, 2016 Oracle Consulting Services (OCS) has been onsite assisting both Loudoun County Government (County) and Loudoun County Public Schools (LCPS) with the reimplementation of Phase 2 of the ERP system. OCS is specifically focused on the completion of the Human Resources and Payroll modules. The OCS approach to successfully completing the Phase 2 implementation is based on the use of Oracle's Unified Method (OUM - Oracle's methodology for deploying Oracle-based business solutions). To maximize efficiencies, OCS further structured this effort into two distinct sub-phases – Phase 2 A: Inception and Elaboration and Phase 2B: Construction, Transition, and Production. Phase 2A activities include the review of business requirements as specified in the original request for proposal (RFP) and aligning those requirements with out of the box functionality. Where current mandated processes do not align with out of the box functionality, OCS will either provide a system customization or recommend a modification in the current business process. Phase 2B activities focus on the construction of the new system as well as testing and launch of the new system. The County has redefined its Phase 2 organizational structure, and is currently implementing a new structure comprised of three offices with distinct functions: Business Transformation Office (BTO), Client Management Office, and Independent Verification and Validation Office (IV&V). The BTO will provide operational and strategic management for the ERP Project throughout the reimplementation, for approximately twelve months. Since Phase 2 has already restarted, a manager is needed immediately for the BTO. Currently, there are no staff resources available to fulfill this role. Staff recommends that the Finance/Government Operations and Economic Development Committee authorize the Purchasing Agent to award a contract for the BTO Manager with Yahya Technologies, LLC (Y-Tech) in the amount of \$601,839.

Election District: Countywide

Staff Contacts: Wendy Wickens, Information Technology  
Robert Middaugh, County Administration  
Cheryl Middleton, Finance and Procurement

**18. Monthly Report/Implementation of the Enterprise Resource Planning (ERP) System (Information)**

The Loudoun County Government and Loudoun County Public Schools began implementation of a new ERP System in January 2012. On December 4, 2013, the Board of Supervisors appropriated additional funds to complete implementation of all three phases of the System.

Phase 2, the Human Resources and Payroll modules of the ERP Project, was restarted on Monday, May 9, 2016, and an update will be provided during the June meeting.

Election District: Countywide

Staff Contacts: John Sandy, County Administration  
Robert Middaugh, County Administration  
Wendy Wickens, Information Technology  
Penny Newquist, Finance and Procurement  
Vince Marchesano, Vivad Technologies, LLC

**Next Regular Meeting: July 12, 2016**

If you require a reasonable accommodation for any type of disability in order to participate in the Finance/Government Operations and Economic Development Committee Meeting, please contact the Office of the County administrator at 703-777-0200/TTY-711. At least one business day of advance notice is requested; some accommodations may require more than one day of notice. FM Assistive Listening System is available at the meeting.